



HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS

The Honorable Ryan I. Yamane, Chair
The Honorable Adrian K. Tam, Vice Chair

**S.C.R. NO. 221, REQUESTING THE AUDITOR TO CONDUCT A STUDY ON THE
RELATIONSHIP BETWEEN THE CURRENT PRICES OF AND ACCESS TO
MEDICAL CANNABIS AND THE VOLUME OF ILLICIT CANNABIS SALES IN THE
STATE**

Hearing: Thursday, April 14, 2022, 9:00 a.m.

The Office of the Auditor appreciates the opportunity to testify on S.C.R. No. 221, requesting the auditor conduct a study on the relationship between the current prices of and access to medical cannabis and the volume of illicit cannabis sales in the state, and offers the following comments.

We suggest the resources of our office, where possible, are best used for conducting performance audits. Performance audits provide objective analysis, findings, and recommendations intended to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. Typically, a performance audit assesses a program's operations against appropriate criteria, such as relevant statutes, administrative rules, policies, procedures, and best practices.

The study contemplated in the resolution requires different skills and expertise from those required to audit a department or agency's operations. As such, we suggest that another agency – such as the Department of Health or the Legislative Reference Bureau – may be better suited to perform the requested study and respectfully request the resolution be amended to reflect a more appropriately suited agency to perform the work.

Thank you for considering our testimony related to S.C.R. No. 221.

SCR-221

Submitted on: 4/13/2022 4:56:06 AM

Testimony for HHH on 4/14/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
DeVaughn	Marijuana Policy Project	Oppose	Remotely Via Zoom

Comments:

Thank you Committee chairs for the opportunity to comment on SCR 221.

MPP shares the concerns of the Office of State Auditors that the duties outlined in this resolution may be better suited for another legislative or executive branch agency. Additionally, there are many private companies or educational institutions like the University of Hawaii that the state could contract with to perform the duties outlined in this bill which are essentially a market study.

Additionally, MPP strongly recommends an amendment to change the language from "illicit" market to "legacy" market. As the resolution recognizes, Hawaii only developed a distribution system for medical cannabis patients six years ago. For fifteen years prior, Hawaii's medical cannabis was supplied by grow rights afforded to medical patients under law. It's important to note that patient grow rights remain law. Framing the lawful conduct of residents as illicit, further stigmatizes medical cannabis patients and lawful cannabis use. We would strongly recommend changing the language should the committees chose to move forward on this resolution.

Sincerely,

DeVaughn L. Ward, Esq.

Senior Legislative Counsel

Marijuana Policy Project

Honolulu, HI

(808) 445-6229

dward@mpp.org